

While this summer marks the second year since the supposed end of the economic recession, it is an anniversary that no one is celebrating. Recent severe fluctuations in the stock market and high unemployment rates are indicators the economy remains stalled and is likely to remain that way until businesses and consumers regain confidence.

A recent survey of America's small businesses reflects a subdued mood among the country's primary job creators. The National Federation of Independent Business (NFIB) – which represents companies employing anywhere from a single worker to over 100 – reported in July that small business optimism remains "solidly in recession territory."

Here in South Alabama, unemployment rates have risen over the last several months to nearly where they were during the midst of the recession, indicating that the economy remains stalled. However, it serves no purpose to simply point out the obvious. We all know that times are tough, but what can be done about it? If you listen to job creators, we can begin by reducing the size and scope of the federal government, which only further undermines confidence.

America's small businesses constitute roughly 90 percent of all our businesses and range from the local dry cleaners to fast food restaurants to small manufacturers. They form the backbone of our communities, large and small, and employ the bulk of America's workforce. They sit on the front line of the economy and often feel the first ripples of any downturn. Not surprisingly, they hold strong opinions about what is hampering the recovery.

The NFIB's chief economist lays the blame for small business pessimism at the feet of the federal government. "Between the deluge of new regulations and a Washington policy agenda that is largely ignorant of Main Street needs, stubbornly low consumer spending, and grave concern among small firms over the federal budget, there is not much to be optimistic about as a small-business owner. Who can blame the prevalence of pessimism when administration officials are telling Congress that small businesses need to pay more in taxes to support government spending programs?"

Many small business owners I've talked to say government is going in the wrong direction. They ask, "Does it make sense to propose higher taxes on jobs providers as they struggle to just stay in business? Does it make sense to tighten the domestic energy supply and propose costly new regulations on power generators while millions are struggling to pay energy bills?"

Does it make sense to mandate – against the will of the majority of Americans - an enormously expensive new health care system that burdens employers and denies consumers personal choice?"

After two and a half years of all that big government can offer, including a near \$1 trillion failed stimulus, it's time to try something new. Restoring confidence in our economy begins with increasing American competitiveness to spur investment and create new jobs. While the president still clings to a self-defeating policy of tax increases, House Republicans support tax reforms. We support lowering the tax rate for business and individuals, including small business owners, to no more than 25 percent. We also support simplifying the tax code and closing loopholes.

Many Americans want the tax code scrapped and a simple structure put in its place. I agree. As Congress explores ways to cut government spending and pay down the debt, I believe the time is right for a serious effort to reform our tax system.

A recent Heritage Foundation report notes the Obama administration "imposed 75 new major regulations from January 2009 to mid FY2011, with annual costs of \$38 billion." While the administration has not been shy about expanding costly regulations on business, the House has taken a different direction. We've passed a resolution directing all congressional committees to review federal regulations that impact jobs. We've also passed legislation to reduce regulatory burdens on business. So far, the Senate has failed to follow our lead.

Meanwhile, high gas prices are generating as much pain as this summer's heat. While the White House has only provided hot air, the House has passed a series of bills aimed at opening up domestic oil reserves to safe drilling. If these bills were passed into law, tens of thousands of Gulf oil industry jobs could be restored and pressure on gas prices would be reduced. Unfortunately, the Senate has again failed to act.

While America continues to experience a crisis of confidence in the economy, the House is offering solutions. Where are the Senate and the president?

My staff and I work for you. If we can ever be of service, do not hesitate to call my office toll free at 1-800-288-8721.

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